CHAPTER NO. 370

HOUSE BILL NO. 1740

By Representatives Davidson, Bone and Mr. Speaker Naifeh and Representatives McMillan, Mike Turner, McDonald, Coleman, Rinks, Yokley, Borchert, Hood, Curtiss, Litz, Odom, Niceley, Newton, Montgomery, Eldridge, Watson, McCormick, Sharp, Favors, Baird, Pleasant, Fraley, DuBois, Harwell, Gresham, Hill, Swafford, Phillip Johnson, Harry Brooks, Hensley, Campfield, Davis, McDaniel, Curtis Johnson, Hargett

Substituted for: Senate Bill No. 2061

By Senators McLeary, Norris, Herron, Kurita, Fowler, Burks, Williams

AN ACT to amend Tennessee Code Annotated, Title 55, Chapter 15; Title 67, Chapter 3; Title 67, Chapter 6 and Title 68, Chapter 135, relative to biodiesel fuel and the implementation of incentives to encourage the production thereof.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

- SECTION 1. The Tennessee Department of Transportation is hereby authorized to undertake public-private partnerships with transportation fuel providers, including but not limited to farmer co-ops, to install a network of refueling facilities, including storage tanks and fuel pumps, dedicated to dispensing biofuels, including but not limited to ethanol (E85) and biodiesel (B20).
- SECTION 2. To accomplish the purposes of Section 1, the Department may establish a grant program to render financial assistance to help pay the capital costs of purchasing, preparing, and installing fuel storage tanks and fuel pumps for biofuels at private sector fuel stations. The Department may apply for, and make reasonable efforts to secure, federal assistance and other funding sources for such a grant program. The Department may attempt to maximize the total investment in biofuel refueling facilities.
- SECTION 3. For the purpose of establishing biofuel storage tanks and fuel pumps at private sector fuel stations, the Department of Transportation shall use any federally appropriated funds or the General Assembly may appropriate such funds to the Department of Transportation from sources other than the state highway fund.
- SECTION 4. The Tennessee Department of Agriculture shall have the authority to inspect and test biofuels under the Kerosene and Motor Fuels Quality Inspection Act of 1989.
- SECTION 5. No expenditure of public funds pursuant to this act shall be made in violation of the provisions of Title VI of the Civil Rights Act of 1964, as codified in 42 United States Code 2000(d).
- SECTION 6. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: May 25, 2005

JIMMY NAIFEH, SPEAKER HOUSE OF REPRESENTATIVES

> JOHN S. WILDER SPEAKER OF THE SENATE

APPROVED this 7th day of June 2005

PHIL BREDESEN GOVERNOR